

#### General information

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#### **General Information**

Odometer fraud is a major problem in the United States. Odometer fraud occurs when illegal changes are made to the mileage shown on a used vehicle's title and odometer. This is usually done to mask high mileage on late-model used cars. Odometer fraud is a serious threat to used-car buyers that can cost thousands of dollars and lead to frustrating breakdowns and repairs, according to AAA.

Each year approximately 3 million used cars have their odometers rolled back an average of 30,000 miles. According to the National Highway Traffic Safety Administration, odometer fraud throughout the country results in consumer losses of approximately four billion dollars annually.

A news release from AAA said the difference in the value of a vehicle with 30,000 miles and 70,000 miles is approximately \$3,600. When increased finance, insurance and repair costs are added, the loss to a consumer who purchases a vehicle with an altered odometer can be more than \$4,000.

Millions of vehicles receive new titles each year as they are sold at auction to wholesalers and dealers. Unscrupulous operators often commit fraud by recording lower mileage on the new title application, changing the odometer reading and cleaning the vehicle so its appearance matches the lower mileage reading. In many cases, the dealer selling the vehicle to the consumer may not be aware the odometer was altered by a wholesaler or at the auction.

To spot possible fraud, AAA urges motorists to have a thorough vehicle inspection performed by a qualified technician. An inspection can spot telltale signs of excessive mileage such as engine wear, emissions problems and suspension and steering component wear. Also, since original tires usually last up to 60,000 miles, new tires on a vehicle with an odometer showing 30,000 miles are a good reason to be wary.

## **Tips to Watch For**

- Visually inspect the car to see if its condition matches the miles shown on the odometer. Check to see which parts have been replaced. Unscrupulous individuals sometimes use paint to make old parts look newer.
- Check the inspection certificate. It will have the date of inspection, mileage at the time of inspection, place of inspection and the inspector's name recorded on it.
- Look for lube or maintenance stickers on the left doorframe, in the glove compartment, under the hood, in the trunk, etc. These often contain mileage information.
- Check with the manufacturer to see what work was done under the warranty and what the mileage was at the time the work was done.
- Check to see if the numbers on the odometer gauge are aligned straight across. If they are crooked, the odometer may have been tampered with.
- If the car has a General Motors mechanical odometer, the spaces between the numbers should be black. If they are silver or white, the odometer has been tampered with.
- If the car has an electronic odometer, it has been designed to show an asterisk or some other sign if it has been tampered with. Information regarding this will be contained in the owner's manual.
- Research the vehicle's title history through the Utah Division of Motor Vehicles, or through a commercial title checking company.
  - Be suspicious if the vehicle was sold several times in a few months.
- Be skeptical of former fleet vehicles with low mileage. These vehicles are driven an average of 32,000 miles per year and are almost never taken out of service early.

# **Utah Odometer Requirements**

Every vehicle subject to registration in Utah must be equipped with a properly functioning odometer. It is illegal to operate, or to cause to be operated, a motor vehicle in which the odometer is known to be disconnected or nonfunctional, except while taking the vehicle to a repair shop.

It is a class A misdemeanor to install on any motor vehicle a device that causes the odometer to

register mileage other than the true mileage, or to knowingly sell any vehicle on which the odometer has been altered in this manner.

It is a third-degree felony to issue a false odometer statement, to disconnect, turn back, or reset the odometer of any motor vehicle, or to knowingly sell a vehicle on which the odometer has been altered in this manner.

## **Odometer Mileage Disclosure Statement**

At the time of the sale or transfer of any motor vehicle, the transferor is required to give the transferee a signed odometer mileage disclosure statement. Failure to provide such a statement, or violation of any rule concerning such a statement, is a Class B misdemeanor.

The transferee should acknowledge receipt of the statement by signing it and both the transferee and the transferor should keep a legible copy. The original odometer statement must be surrendered to the Motor Vehicle Division when the vehicle is titled and registered. Information contained in the odometer mileage disclosure statement includes the following:

- The odometer reading at the time of transfer
- The date of transfer
- The transferor's name and address or the transferor's authorized agent's name and address if the transferor is a company
- The transferee's name and address or the transferee's authorized agents name and address if the transferee is a company
  - The make, model, year, body type and identification number of the vehicle, and
- An affirmation that the odometer mileage shown on the odometer statement is either the actual mileage, exceeds the mechanical limits of the odometer, or is not the actual mileage

If you need an Odometer Mileage Disclosure Statement, click <a href="here">here</a> to use one provided by the DMV.

# **Odometer Replacement or Repair**

If the odometer needs to be repaired or replaced, the disclosure statement should read:

- The odometer was repaired or replaced and that the present reading is identical to the reading before the repair, or,
- The odometer was repaired or replaced, and because it was incapable of registering the same mileage as before, it was reset to zero.

If the odometer is repaired or replaced and then reset to zero, the disclosure statement must specify the mileage on the vehicle before the reading was altered. A notice in writing, on a form available from MVED, specifying both the date the odometer was repaired or replaced and the mileage on the vehicle before this occurred, must be permanently affixed to the left door frame of the vehicle.

## Mileage Recorded on Title

The mileage of a motor vehicle must be included on the vehicle's title and on the application for transfer of ownership, and will be printed on the new title certificate.

### **Questions and Answers**

Are there any exceptions to the odometer mileage disclosure statement rule?

Odometer mileage disclosure statements do not need to be given for vehicles having a gross vehicle weight rating of 16,000 pounds or more, vehicles 10 years old or older, or vehicles sold directly by the manufacturer to any agency of the United States Government (41-1a-902 UCA).

Are there any motor vehicles that are not required to have a working odometer?

Only vehicles that are not subject to registration and trailers ( 41-1a-901 UCA ).

Should I sign a blank disclosure statement with the dealer's or buyer's assurance that it will be filled out later?

No. All signers are responsible for the certification of all information on the disclosure statement.

Is it legal for a dealer to give a prospective purchaser the name of an automobile's

#### previous owner?

No, because all motor vehicle records are classified as "protected." See <a href="Privacy of Motor">Privacy of Motor</a> for more information.

Does the customer have a right to see the incoming odometer mileage disclosure statement for the vehicle he/she is buying?

Yes.

What recourse do I have if my odometer has been tampered with?

The Tax Commission's Motor Vehicle Enforcement Division will investigate to determine whether or not an odometer law has been violated. Your attorney can advise you on possible civil remedies. To register a complaint, **follow this link**.